

The BEST NEWS

Baccalaureate Education System Trust * State of Tennessee Treasury Department * Winter 2003 * Volume 7, No. 1



Dale Sims
State Treasurer

New State Treasurer

Governor Phil Bredesen appointed Dale Sims as State Treasurer, filling the vacancy created when Treasurer Steve Adams retired after 30 years of state service. Sims, a 20-year state employee, began work with the Comptroller of the Treasury in 1980 and later worked as Staff Assistant to Treasurer Harlan Mathews. Since 1987, Sims served as Executive Assistant to Treasurer Steve Adams. As State Treasurer, his duties include serving as Chairman of the BEST Board of Trustees. Congratulations to Dale on his new appointment.

New Unit Price

With the increase in tuition at Tennessee's public colleges and universities for the 2003-2004 school year, the BEST Board approved an increase in the price of a tuition unit at its Summer meeting. The new unit price of \$42.00 became effective August 1, 2003. The unit price will increase to \$43.60 on January 1, 2004. If you purchase units through ACH or payroll deduction, remember to adjust your amounts to reflect the new price. All changes must be made in writing. You may mail changes to: BEST, P.O. Box 198786, Nashville, TN 37219-8786 or fax them to: (615) 734-6467. Please allow at least 10 days to increase, decrease or terminate your current ACH withdrawal. A new ACH withdrawal will take one month to enact.

Using Your Units To Pay For Tuition

Planning to attend college or technical school this academic year? To use BEST units to pay for tuition and mandatory fees, a Tuition Use Form must be completed.

Tuition Use Forms are mailed to **eligible beneficiaries** before each year's Fall and Spring semesters. An eligible beneficiary is 17 years of age and has mature units in his/her BEST account. An instructional brochure accompanies the Tuition Use Form.

Use Forms for the Spring 2004 academic period were mailed to the designated beneficiary in early November 2003. Tuition Use Forms **must** be completed and returned to BEST by **December 15, 2003** or **30 days before the university bill due date** for the Spring 2004 semester; **30 days before the bill due date** for the appropriate Summer semester, and by **July 15, 2004** or **30 days before the bill due date** for the Fall 2004 semester.

If your beneficiary's Tuition Use Form is received after the due date, a \$25.00 late fee may be assessed against your account. It is very important to return Tuition Use Forms by the dates listed above to ensure that your beneficiary's payment is processed and issued before the school's payment date.

If your beneficiary has not received a Tuition Use Form two months prior to the due dates listed above, or if you would like the form to also be sent to you, please contact BEST at 1-888-486-BEST or 532-8056 in the Nashville area.

Private School vs. State School Payments

The tuition payment process differs depending on the type of post-secondary institution your beneficiary is attending.

If your beneficiary is attending an out-of-state **OR** a private school BEST will make the payment directly to the school by the bill due date that you list on the Tuition Use Form. It is **EXTREMELY** important that you list the correct bill due date on your Tuition Use Form. **BEST is not responsible for late school payments due to an incorrect date, no date, or incorrect billing information that is listed on the form.** You will receive a confirmation letter in the mail when BEST receives your Tuition Use Form.

If the beneficiary is attending a public college or university in Tennessee, the beneficiary will receive a confirmation letter AND a voucher letter once BEST receives your Tuition Use Form. The voucher letter **MUST** be presented to the payment office at the beneficiary's school by the date the bill is due. This voucher letter is in lieu of payment for the funds that will later be sent to the school from BEST. **If you do not turn this voucher letter in to the correct office at the school, BEST cannot make payment on behalf of your beneficiary.** Tennessee state schools bill BEST **after** the last Drop/Add date at your beneficiary's school.

If you have questions concerning this process, please contact BEST at 1-888-486-BEST or (615) 532-8056. You may also contact BEST via email at BEST.Office@state.tn.us

Reimbursement for Out-of-Pocket Educational Expenses

Beneficiaries may receive reimbursement from their BEST account for educational costs paid out-of-pocket by either the beneficiary or the purchaser. Qualified educational expenses include books, tuition, room and board and educational supplies necessary for attendance at the post-secondary institution at which the beneficiary is enrolled.

Beneficiaries may request reimbursement payable to either the purchaser or beneficiary. Simply send BEST a letter listing the amount you are requesting, for what purpose the funds were used and to whom the check should be made payable. **The check may be made payable to the purchaser or beneficiary only.** The request **MUST** be signed by the **beneficiary**. You will receive your check 2-3 weeks from the date that BEST receives your request.

It is not necessary to send BEST receipts for out-of-pocket expenses for which you are requesting reimbursement. Internal Revenue Code regulations state that it is no longer required that you send your receipts for educational expenses to BEST. **However, please keep your receipts in the event that you are audited by the IRS. You will be required to prove that all monies withdrawn from BEST were used for qualified educational expenses. In the event of a non-qualified withdrawal, the refund recipient will incur federal income tax liabilities.**

All reimbursement requests may be mailed to: Tennessee's BEST Prepaid Plan, P.O. Box 198786, Nashville, TN 37219-8786. You may also fax the request to: (615) 734-6467.

Program Statistics (as of 9/30/03)

- ✓ 8,054 contracts have been established.
- ✓ \$45.2 million in assets (market value)
- ✓ 1,460,396 units have been sold.

2003-2004 Tuition Units Guide

This guide provides an example of the number of units necessary to cover tuition, mandatory fees, and room and board at various colleges based on Fall 2003 tuition rates.

University	Units Needed for 1 Year		
	Tuition & Fees	Room & Board	Total
Tennessee Public Four-Year Universities			
Average of TN 4-year universities	98	116	214
Austin Peay	98	101	199
East Tennessee	94	106	200
Middle Tennessee	98	116	214
Tennessee State	93	105	198
Tennessee Tech	92	125	217
Univ. of Memphis	104	155	259
UT-Chattanooga	95	111	206
UT-Knoxville	109	126	235
UT-Martin	95	100	195

TN Community and Technical Colleges

Avg. of TN community and tech. colleges	52	n/a	52
TN Technology Centers	38	n/a	38

*Tennessee Private Universities

Belmont University	373	156	529
Carson-Newman	326	125	451
Christian Brothers	419	130	459
Cumberland University	301	115	416
David Lipscomb	313	153	466
Fisk University	279	142	421
Freed-Hardeman	271	136	407
Lambuth University	285	127	412
Lee University	215	119	334
LeMoyne-Owen	208	114	322
Sewanee	593	165	758
Union University	355	126	481
Vanderbilt University	711	230	941

The table above shows approximately the number of tuition units needed to pay for college costs if your child attended college this school year (2003-2004). The standard double occupancy dorm room and meal plan rates apply. This table should only be used as a guide. Check with your college or university for actual tuition, fees, room and board rates. Tuition units may be used at any accredited college or university in the United States.

Customer Service Corner

Below are some of the most frequently asked questions received by your BEST Customer Service Representatives at **1-888-486-BEST** or **532-8056** in the Nashville area.

- Q

How do I make an address change?
- A

The Purchaser of the contract must send a written, signed request to BEST of any address changes that should be made to the contract (s). The address may be mailed to BEST, P.O. Box 198786, Nashville, TN 37219-8786 or faxed to (615) 734-6467.
- Q

Why didn't I receive a receipt for my payment?
- A

Due to the high volume of contributions, BEST does not automatically send a receipt for the contributions submitted. However, we will be glad to send a receipt of payment upon your request.
- Q

When will I receive a statement?
- A

BEST mails statements annually. Individual statements are available at anytime, per your request.
- Q

What happens if we open a BEST account and then we move out of Tennessee?
- A

If a family moves out of Tennessee after a child is enrolled in the plan, tuition units may still be purchased on behalf of the child, and the child will remain eligible for all plan benefits.
- Q

How much can I contribute to my BEST account?
- A

The maximum account balance established by the BEST Board is currently \$235,000 per beneficiary.



Looking for a Holiday Gift?

As the holiday season approaches, remember the gift of BEST tuition units. The purchase of tuition units provides a loving and lasting gift. Contact BEST for details: 1-888-486-BEST, or Best.Office@state.tn.us

BEST Hotline

BEST participants may check their account status 24-hours a day by utilizing BEST's toll-free hotline. This tool is especially useful for confirming a large deposit recently made to a BEST contract.

Dial 1-888-486-BEST, choose Option 3, Press 1 at the prompt and then choose Option 3. You will be asked to provide both your Contract ID number and the last four digits of the beneficiary's social security number in order to check your account balance and recent deposits.

You may also dial the above number to speak to a customer service representative to obtain account information.

Check out our website!
www.treasury.state.tn.us/best



The *BEST News* is published annually to keep participants of the Baccalaureate Education System Trust informed of program enhancements and other program activities. Please send your comments and/or suggestions regarding article topics for future issues to: Natalie Kilgore, Editor, Baccalaureate Education System Trust, P.O. Box 198786, Nashville, TN 37219-8786.

The information in this newsletter is subject to legislative change and judicial interpretation. It does not supersede nor restrict procedures or authority established under state or federal law. Statutory authority for BEST is contained in T.C.A., Title 49, Chapter 7, Part 8.

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